
State Parks and Recreation Commission

Agency: 465

Audit Report: 2003 Statewide Accountability Report

Finding Number: 03-26

Finding: The State Parks and Recreation Commission did not comply with state bid laws and did not adequately monitor contracts and change orders.

Resolution/Status: Processes were formerly provided to staff through a number of management directives, Power Point training presentations, or state laws and statutes. However, these were not available through a single reference source. A coordinated training effort is now in place to ensure staff understand and comply with procedures. The agency's Park Development Service Center (formerly Resources & Development Division) now has a comprehensive Contracting Process Manual for use by all staff involved in all forms of contracting and acquisition of purchased services. Employees must sign that they understand and will comply with the manual. The final training session was held on April 14, 2004.

Further, the recent reorganization of the Park Development Service Center has focused management of staff and projects at a regional level (rather than the individual level) to provide standardization and clear focus on contracting procedures.

Agency Contact: Larry Fairleigh, Assistant Director
Parks Development
State Parks and Recreation Commission
PO Box 42650
Olympia, WA 98504-2650
(360) 902-8642
larryf@parks.wa.gov

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Finding: The State Parks and Recreation Commission did not adequately monitor contracts with concessionaires and lessees.

Resolution/Status: Through recent reorganization, the agency has greatly increased emphasis on business development and, in particular, its concessions and leases management. The Concessions Manager is now part of the Business Development and Administrative Service Center and is dedicated to strategic work on business development. A second staff person in this Service Center is now assigned to handle existing agreements, including monitoring reporting and payment deadlines, providing for closer oversight and working problems as they arise. Several employees in the Financial Service Center are now systematically examining the concession and lease files, establishing standardized "face sheets" and linking critical management information to a central report to allow for an overall and immediate view of agreements. Work is now progressing well on temporarily extending lapsed agreements, establishing and seeking amounts due, identifying and accounting for uncollectibles, and identifying where and when the agency must pursue new agreements.

In conjunction with its reporting system, the agency created a means to prove reasonableness of concession percentage amounts received, and identified when staff should review concessionaire books and records for completeness of revenue reported.

Agency concession policies are reviewed for adequacy and alignment with the agency's balanced scorecard. The agency categorizes agreements as either business opportunities with the expectation of significant revenue, or as a genuine public service provided with little expectation of revenue to the agency. Agreements are more focused in a business sense, simplified in terms of specific conditions and payment calculations and timing, strengthened with regards to "boiler plate" general conditions, and monitored for results.

The agency looks forward to the State Auditor's Office review of these new processes during the next audit

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